

Receipts and Expenditures of State Governments and of Local Governments, 1959–2001

By Bruce E. Baker

IN the standard presentation of the national income and product accounts (NIPA's), the estimates of receipts and expenditures of state governments and of local governments are combined. This article presents estimates of receipts and expenditures for each level of government.¹ Separate estimates facilitate long-term analysis of each level. It also allows us to see significant developments that would otherwise be hidden. For example, we can see that the combined NIPA deficit for state and local governments in 2001 reflected a record

1. Separate estimates of State and local government finances were last published in Donald L. Peters, "Receipts and Expenditures of State Governments and of Local Governments: Revised and Updated Estimates, 1984–87" *SURVEY OF CURRENT BUSINESS* 68 (September 1988): 23–25.

Donald L. Peters and Steven J. Andrews prepared the estimates presented in this article.

deficit at the state level but sizable surpluses at the local level.

This article begins with a short discussion of some of the main features of the government finances. It then gives an overview of changes in receipts and in various measures of expenditures and fiscal balance. The next section describes major trends in receipts and expenditures over the past four decades. The article concludes by showing that the NIPA estimates of state expenditures are reconcilable with the best known non-NIPA data on the subject. The estimates for state governments and for local governments are presented in tables 2–7 at the end of the article.

Features of Government Finances

The federal system of government in the United States comprises three levels: The Federal Government, 50

Preparing the State and Local Government Estimates

Preparing the estimates for the NIPA's is like putting together a puzzle. The pieces of the puzzle are derived from many data sources. Sometimes, the pieces do not fit neatly together, resulting in statistical inconsistencies, and sometimes, pieces are missing.

Eventually, all of the puzzle pieces become available. In the State and local government sector, the estimates are mainly derived from a single data source—the Census Bureau's *Government Finances*—so when these data are incorporated into the accounts, the internal discrepancies are few.¹ The series of surveys in *Government Finances* provides full coverage of the 50 states and sample-based coverage of local governmental units—municipalities, counties, townships, school districts, and "special districts." *Government Finances* contains detailed data on receipts by source and on spending by function. Unfortunately, the data are only available on a fiscal year

basis and with a lag of up to 2 years for state government data and of up to 3 years for local government data.

Before the *Government Finances* data become available, state and local government estimates must be derived from other source data. Fortunately, data are available for estimating many of the larger components. For example, the estimates of wages and salaries are derived from current monthly estimates of state and local government employment and a quarterly employment cost index from the Bureau of Labor Statistics, and the estimates of construction are derived from monthly estimates of construction put in place from the Census Bureau. Information on the other large spending components—especially for transfer payments, such as Medicaid—is available from other Federal sources. For receipts, quarterly tax data for the major types of taxes are available from the Census Bureau, and monthly Federal grants data are available from the Treasury Department. The estimates of other puzzle pieces are based on judgmental trends.

Separate estimates of the state government accounts and of the local government accounts are not prepared regularly, because of resource constraints and because of the lack of current source data on a disaggregated basis.

1. These data are supplemented with data from other sources, particularly data on wages from the Bureau of Labor Statistics and detail on transfers from other Federal sources. BEA also imputes the estimates of some nonmonetary items, such as consumption of fixed capital and "services furnished without payment by financial intermediaries."

state governments, and 87,453 local governments.² The local governments consist of municipalities, counties, townships, school districts, and "special districts."³ The structure of local governments varies from state to state.

As shown in table 1, the Federal Government is entirely responsible for funding national defense, most economic affairs, most disability and retirement programs, and unemployment insurance (which is classified in the NIPA's as a Federal program).⁴ In addition, it is predominantly responsible for funding agriculture programs, public housing, and public health. Local governments are mainly responsible for police, fire, and primary and secondary education services. States usually share responsibility with the other two levels of governments; they take the lead in spending for prisons. The responsibility for many functions—such as transportation, natural resources, and welfare and social services—is disbursed widely among levels of government.

The ability of local governments to deliver services partly depends on grants, which generally flow from the higher levels of government to the local level (chart 1).⁵ Partly because of these grants, local governments have had current surpluses in recent years, while state governments have generally had current deficits (chart 2).

2. U.S. Bureau of the Census, *Compendium of Government Finances: 1997 Census of Governments*, (Washington, DC, 2000).

3. Special districts are local governmental units with powers to raise revenue and make expenditures for special functions, such as water distribution, airports, ports, and cemeteries.

4. The estimates presented in table 1 exclude grants. Expenditures are attributed to the level of government that makes the expenditure, regardless of the source of funds. Negative numbers for local governments reflect revenue from government enterprises and interest earnings.

5. However, there are some grants from local governments to state governments, and occasionally, some from the states to the Federal Government.

Table 1. Federal, State, and Local Government Current Expenditures by Function as a Share of Total Government, 2001

| | Federal share | State share | Local share |
|---|---------------|-------------|-------------|
| Total government expenditures | 56 | 20 | 24 |
| National defense | 100 | 0 | 0 |
| Unemployment | 100 | 0 | 0 |
| Income security (excluding disability and retirement, unemployment and welfare) | 100 | 0 | 0 |
| Economic affairs (excluding agriculture, natural resources and transportation) | 100 | 15 | -15 |
| Disability and retirement | 97 | 3 | 0 |
| Agriculture | 85 | 15 | 0 |
| Housing and community services | 71 | 14 | 15 |
| General public service | 69 | 10 | 21 |
| Health | 52 | 44 | 4 |
| Natural resources | 52 | 32 | 16 |
| Welfare and social services | 34 | 41 | 25 |
| Transportation | 20 | 40 | 40 |
| Recreation and culture | 16 | 13 | 71 |
| Law courts | 15 | 39 | 46 |
| Police | 15 | 12 | 73 |
| Prisons | 6 | 63 | 31 |
| Education | 5 | 18 | 77 |
| Fire | 1 | 0 | 99 |

An Overview of Receipts, Expenditures, and Fiscal Balances

Receipts

Over the past four decades, receipts at each level of government have grown relative to the size of the economy.

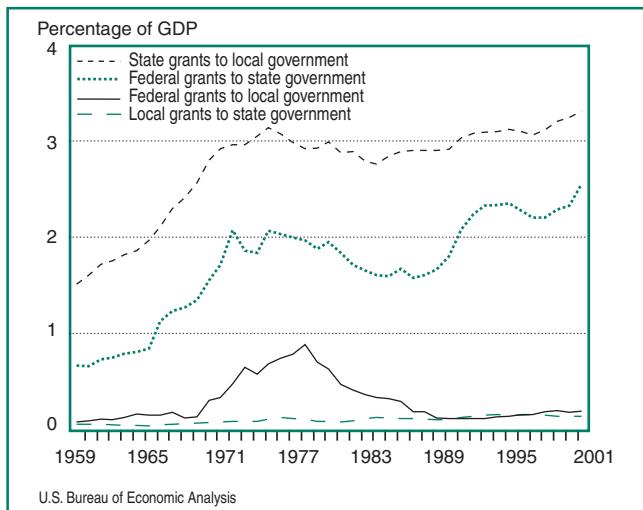
- As a share of gross domestic product (GDP), total government receipts grew from 24.1 percent in 1959 to 29.7 percent in 2001 (chart 3).
- Federal Government receipts grew from 17.1 percent to 19.9 percent.
- State government receipts (excluding grants from other levels of government) grew from 3.4 percent to 5.8 percent.
- Local government receipts (excluding grants from other levels of government) grew from 3.5 percent to 3.9 percent.

Expenditures

The NIPA's provide two principal measures of government expenditures—"consumption" expenditures and "current" expenditures.

- Consumption expenditures are the inputs consumed by government in the process of producing government services. They include compensation of general government employees (except compensation that is classified as own-account investment), durable goods, nondurable goods, consumption of fixed capital, and other services.
- Current expenditures are much broader. They consist of consumption expenditures plus net transfer payments, grants to other levels of government, net interest payments, and subsidies to business less the surpluses earned by government enterprises, and they exclude wage accruals less disbursements.

Chart 1. Intergovernmental Grants-in-Aid



Current expenditures exclude capital account transactions, such as capital investment and capital transfers.

Consumption expenditures are important to the economy because they reflect the value of the services produced by the government and the value of the goods and services purchased by government from the private sector. Current expenditures are broader, and they also reflect influences on other sectors. For example, transfer payments to persons are a source of income to the household sector, and most of household income is used to purchase goods and services that are reflected in final demand as personal consumption expenditures.

A third NIPA measure augments consumption expenditures by the addition of government investment in structures and in equipment and soft-

ware. The result, "consumption expenditures and gross investment" (CE&GI), represents total "final demand" by the government—essentially, purchases of goods, services, and structures. Over the past four decades, the share of GDP accounted for by CE&GI of state and local governments has increased, while the share of CE&GI of the Federal Government has fallen.

- Local government CE&GI grew from about 6 percent in 1959 to more than 8 percent in 2001 (chart 5).
- State government CE&GI increased from about 3 percent to about 4 percent.
- Federal Government CE&GI fell from about 13 percent to about 6 percent (primarily reflecting a decline in the share of expenditures for national defense).

Chart 2. State Government and Local Government Current Surplus or Deficit, NIPA Basis

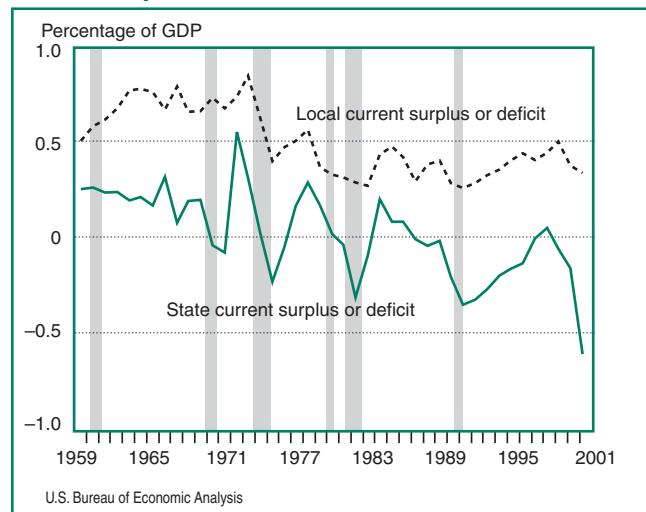


Chart 4. Federal, State, and Local Government Expenditures Excluding Intergovernmental Grants

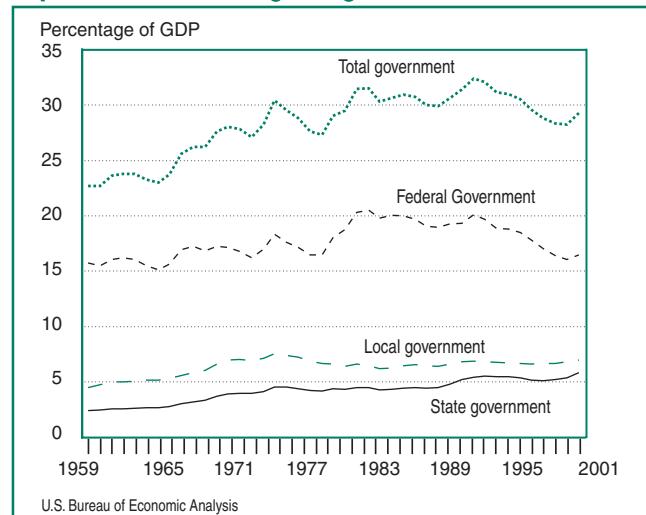


Chart 3. Federal, State, and Local Government Current Receipts Excluding Grants

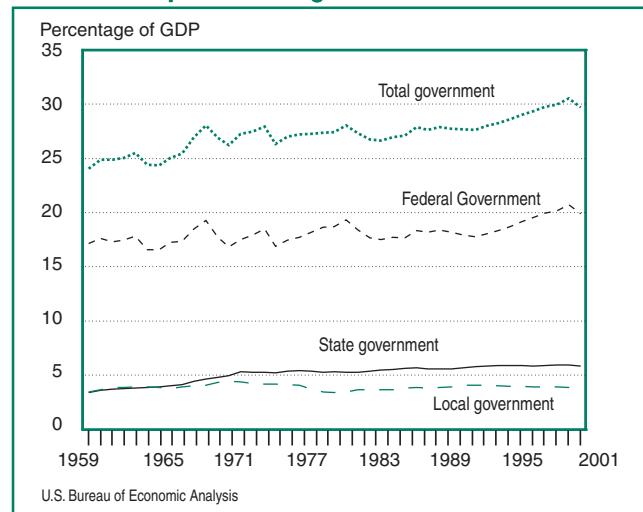
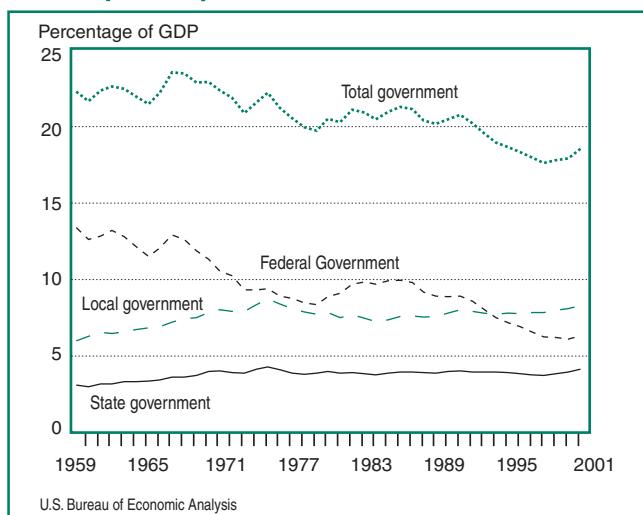


Chart 5. Federal, State, and Local Government Consumption Expenditures and Gross Investment



Changes in the composition of current expenditures. From 1959 to 2001, the Federal Government and state governments tended to allocate more of their expenditures to transfer payments and to grants and less to consumption. Local governments continued to allocate almost all of their expenditures to consumption.

- At the Federal level, consumption expenditures fell from 62.1 percent of current expenditures in 1959 to 27.3 percent in 2001.
- At the state level, consumption expenditures fell from 44.2 percent of current expenditures to 34.6 percent.
- In contrast, local government consumption expenditures were 96.1 percent of current expenditures in 1959 and 94.0 percent in 2001.

Fiscal balances

The difference between current receipts and current expenditures is the current surplus or deficit. It is the principal measure of fiscal balance in the NIPA's. In 2001,

- The Federal Government recorded a small surplus,
- Local governments collectively ran a sizable surplus, and
- State governments collectively posted record deficits.

The deficit at the state level may seem anomalous in light of the fact that all states except Vermont are legally required to balance their general funds.⁶ Three considerations explain the apparent anomaly. First, significant conceptual differences exist between the accounting conventions for state general funds and those for the NIPA's. In the state budgets, general funds can be "balanced" in the short run by transfers from the other funds. However, these interfund transactions are offsetting in the NIPA's because all funds (including general funds, capital funds, Federal funds, revolving funds, and "rainy day" funds) are consolidated.

Second, in the NIPA's, the consumption of fixed capital (depreciation) is treated as a current cost; this treatment is analogous to business accounting, in which depreciation is recorded as a current expense. As a result of this treatment, NIPA estimates of current expenditures include costs that are not included in state general-fund accounting.

Third, general funds have balances from prior years that may be used to fund current expenditures, while the NIPA surplus/deficit measure is defined as current receipts less current expenditures.

An alternative NIPA measure of the government fis-

cal balance is "net lending" or "net borrowing" (if the sign is negative). Net lending is the cash-financing requirement for government. Except for consumption of fixed capital (a noncash expenditure included in consumption expenditures), net lending includes everything in the current surplus or deficit plus the following:

- Noncurrent expenditures for gross investment,
- Purchases of nonproduced assets, and
- Capital transfers.

In recent years, state governments and local governments have both recorded net borrowing (chart 6).

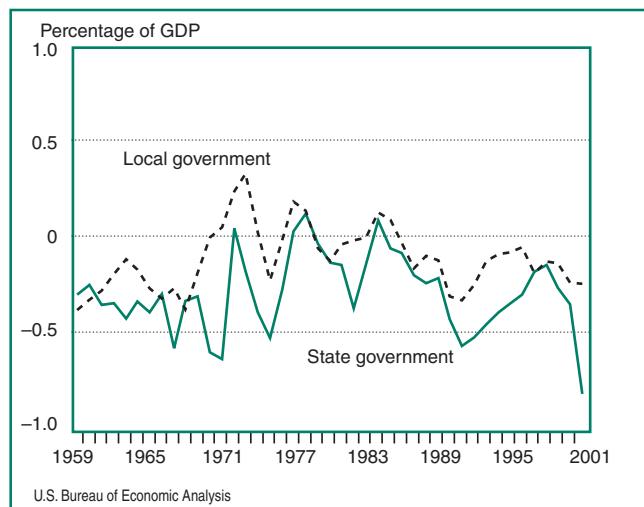
Trends in State and Local Government Finances

State and local governmental operations have changed significantly since 1959. The following discussion examines overall trends that are based on the NIPA estimates of state government and of local government receipts and expenditures, but it does not reflect the trends of individual governments. It should be noted that NIPA calendar years are estimated by averaging Census fiscal years.⁷ Small differences due to timing are reflected in the final results.

In the following section, receipts and current expenditures are discussed in terms of percentages of GDP. As previously mentioned, these measures are not included directly in GDP, but it is often useful to compare macroeconomic aggregates against GDP, particularly when considering trends that span long periods of time.

7. Calendar years for states are estimated as a simple average of adjacent fiscal years. Forty-six states have fiscal years ending in June; two have earlier ending dates, and two have later ending dates. For local governments, an average of 1/3 for year t-1 and 2/3 for year t is used because of the prevalence of fiscal years ending in December.

Chart 6. Net Lending or Net Borrowing for State Governments and Local Governments



6. Legal requirements vary among states. Some states require governors to submit balanced budgets, while others require legislatures to pass balanced budgets. Still others require that general fund revenues be sufficient to cover expenditures.

State governments

The NIPA surplus/deficit has both cyclical and noncyclical components. Chart 2 shows separate measures for states and local governments. In the 1960s, the noncyclical component was sufficiently robust to allow states to run an unbroken string of current surpluses, despite the 1960–61 recession.

In 1970, the state surplus turned to deficit and remained negative in 1971. Total receipts decelerated, as decelerations in taxes more than offset a step-up in Federal grants. Transfer payments accelerated, particularly for family assistance.

Recovery and the return to surplus in 1972 was short-lived, as the 1973–75 recession led to diminishing surpluses and a return to deficits in 1975 and 1976, largely due to an acceleration in Medicaid and family assistance. Surpluses returned in 1977–79, but spending grew faster than revenue in 1979 and 1980. In 1981, with the onset of recession, deficits grew, and in 1982, the deficit reached \$10.9 billion. Surpluses returned in 1984–86; as revenue grew strongly with the economic recovery and as growth in transfers was restrained.

In 1987, small surpluses turned into a small deficit, beginning a nearly unbroken string of deficits. Factors behind the downswing included a deceleration in Federal grants-in-aid and a downturn in fines.

In 1990 and 1991, the deficit worsened, reflecting a combination of weak tax revenues caused by the economic downturn and of sharp increases in Medicaid. Medicaid spending increased 59 percent from 1990 to 1992; consequently, it took many years of growth to achieve a small surplus of \$2.9 billion in 1998. Deficits returned in 1999, reflecting an 8.6-percent increase in Medicaid spending and an acceleration in consumption expenditures. In 2001 the NIPA deficit reached a record \$64.0 billion; tax revenue showed almost no growth, while transfer payments and subsidies to business increased sharply. The California electricity crisis contributed significantly to the subsidies.

Local governments

From 1959 to 2001, the receipts and current expenditures of local governments grew more slowly than those of the state governments. In 1959, local government receipts amounted to 5.1 percent of GDP, and current expenditures amounted to 4.6 percent; in 2001, receipts amounted to 7.4 percent of GDP, and expenditures amounted to 7.1 percent.

Based on NIPA accounting concepts, the finances of local governments have a strong tendency towards surplus. Local government revenue sources are not closely tied to the business cycle; local governments depend on property taxes and on grants-in-aid from other levels of government. Local governments are also less

affected by increases in caseloads for transfer programs than state governments. From 1959 to 2001, transfer payments averaged 4.2 percent of total spending, while consumption expenditures averaged 93.8 percent. Partly because of the lack of cyclical volatility, and probably because of different local accounting conventions, NIPA surpluses were recorded in every year from 1959 through 2001.

Local governments engage in considerable investment activity, which is sometimes financed by borrowing. These surplus estimates imply that governments often partly fund investment activity from current surpluses instead of by borrowing. The alternative NIPA balance measure “net lending or net borrowing” represents governments’ cash borrowing requirement.

In the NIPA’s, capital transactions and purchases of nonproduced assets, such as land, are excluded from the current surplus calculation but are included in local government budgets. Thus the NIPA concept “net lending or net borrowing” is probably close to the budget constraints faced by local governments.

State Expenditures in the NIPA’s and in NASBO data

In addition to the NIPA’s, there are other widely recognized sources of data on state government finance, such as the National Association of State Budget Officers (NASBO).⁸ There are several important statistical and conceptual differences between the NIPA’s and the NASBO data.

The NIPA’s are largely based on the Census Bureau’s *Government Finances (GF)* series. Part of the difference between the NIPA’s and NASBO results from differences between the Census Bureau data and the NASBO data, including the following important statistical differences:

- NASBO data are self-reported by the states, which use a variety of different accounting concepts. In contrast, the census data are based on state data that are adjusted by Census Bureau staff to conform to uniform concepts and definitions.
- NASBO data are based on current budget data, while the census data are based on audited financial statements.
- Most of NASBO’s work focuses on state general funds, but their “State Expenditure Report” includes federal funds, bond funds, and “other” funds. The “other” funds data are sometimes less complete than the comparable census data, because the Census Bureau undertakes an exhaustive enumeration of governmental units and includes in the

⁸. Another widely recognized source of state data is the National Conference of State Legislatures (NCSL). NASBO and NCSL produce similar estimates.

GF statistics some funds that the states do not include, such as retirement funds.

Using *GF* as a primary data source, BEA makes several conceptual adjustments to these data to derive the NIPA estimates. These adjustments, which are intended to conform the census data to the NIPA concepts, include the following:

- Defining the boundaries of the state government sector,
- Separating current and capital transactions,
- Including certain noncash items, and
- Excluding purely financial transactions.⁹

Largely as a result of these conceptual differences, the levels of NIPA and NASBO total expenditures differ substantially.

- The NIPA measure excludes purchases of structures, equipment, and software, but it includes consumption of fixed capital, or depreciation, as a partial measure of the services provided by the stock of fixed assets.
- The NIPA's treat certain transactions, including grants for capital purchases and taxes on gifts and estates, as capital transactions.
- The NIPA's record government consumption expenditures net of sales revenue. Goods and services sold to households are recorded as personal consumption expenditures, not government consumption expenditures.

9. A complete reconciliation of the NIPA receipts and expenditures to the *GF* data is shown in NIPA table 3.19 on BEA's Web site at <www.bea.gov>.

Interest transactions are also recorded net.

- The NIPA's exclude transactions by government employee pension funds (except for employer contributions, which are treated as a component of compensation) on the basis that the funds are owned by employees, not by governments. The investment income and benefit payments of pension funds are included in the household sector.
- The NIPA's treat unemployment insurance fund transactions as a Federal program.
- Differences in timing arise from the conversion of source data from fiscal years to calendar years.

As expected, the Census Bureau's estimates are substantially higher than NASBO's estimates because of their wider coverage, and the NIPA estimates are substantially lower (chart 7). However an adjusted NIPA series closely tracks the NASBO estimates.¹⁰

Unfortunately, NASBO does not provide comparable total revenue estimates for all funds, and without those estimates, comparable surplus/deficit estimates cannot be made. Chart 8 shows an estimate of the NIPA surplus or deficit and a surplus or deficit measure derived from NASBO balances.¹¹ As one might expect, the correlation between the lines is not close.

There is no organization that covers all the local governments like NASBO does for the state governments.

10. The adjusted NIPA surplus includes net investment and sales.

11. The NASBO surplus or deficit estimates are estimated as the yearly change in the combined balance of general and "rainy day" funds.

Chart 7. Census, NASBO, and NIPA Total State Expenditures, Fiscal Years 1987–2001

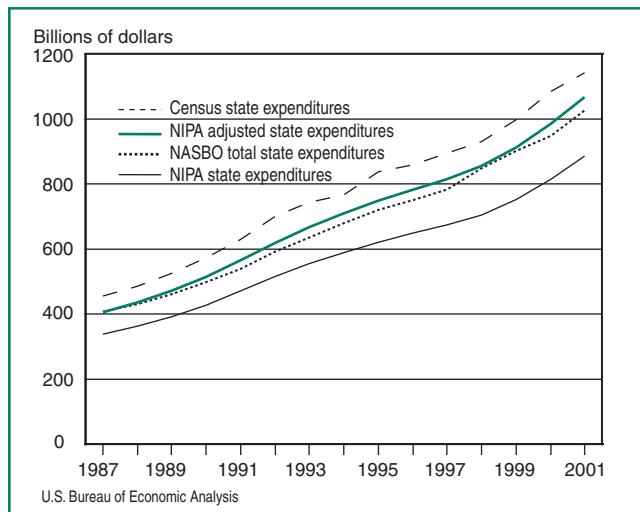


Chart 8. NASBO and NIPA Measures of State Surplus or Deficit, Fiscal Years 1980–2001

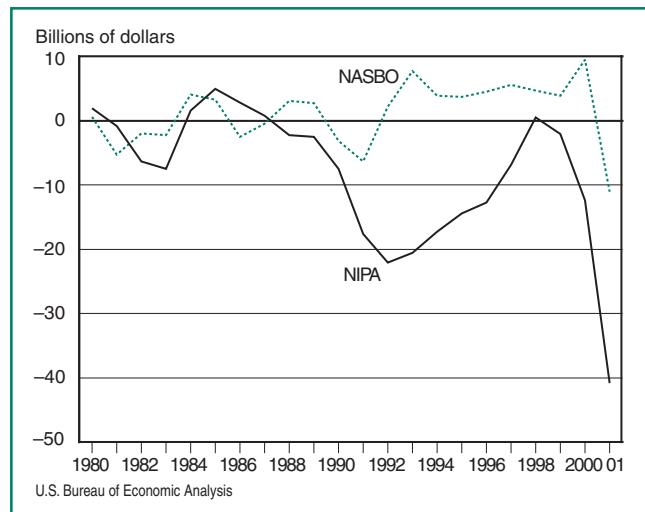


Table 2. State Government Current Receipts and Expenditures
[Billions of dollars]

| | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------|
| Current receipts..... | 21.1 | 22.8 | 24.6 | 26.7 | 28.7 | 31.4 | 34.7 | 41.0 | 45.2 | 52.6 | 60.0 | 67.2 | 76.3 | 93.0 | 100.1 | 108.1 | 121.3 | 137.5 | 153.2 | 171.0 | 186.4 | |
| Personal tax and nontax receipts..... | 3.2 | 3.6 | 3.9 | 4.3 | 4.6 | 5.2 | 5.7 | 6.7 | 7.4 | 9.2 | 11.2 | 12.4 | 14.0 | 18.5 | 20.5 | 22.0 | 24.2 | 28.2 | 32.3 | 37.1 | 40.6 | |
| Income taxes..... | 2.0 | 2.3 | 2.5 | 2.8 | 3.1 | 3.6 | 3.9 | 4.8 | 5.3 | 6.9 | 8.6 | 9.6 | 11.0 | 15.2 | 16.8 | 18.0 | 19.9 | 23.4 | 27.2 | 31.6 | 34.6 | |
| Nontaxes..... | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 | 0.6 | 0.8 | 0.9 | 1.1 | 1.2 | 1.4 | 1.5 | 1.7 | |
| Other..... | 1.1 | 1.1 | 1.2 | 1.2 | 1.3 | 1.3 | 1.4 | 1.6 | 1.7 | 1.9 | 2.2 | 2.4 | 2.5 | 2.7 | 3.0 | 3.1 | 3.2 | 3.5 | 3.7 | 4.0 | 4.3 | |
| Corporate profits tax accruals..... | 1.1 | 1.2 | 1.3 | 1.5 | 1.6 | 1.8 | 1.9 | 2.2 | 2.5 | 3.1 | 3.4 | 3.5 | 4.0 | 5.0 | 5.7 | 6.3 | 6.9 | 9.1 | 10.8 | 11.5 | 12.9 | |
| Indirect business tax and nontax accruals..... | 12.7 | 13.7 | 14.6 | 15.7 | 16.7 | 18.0 | 19.9 | 22.0 | 23.6 | 27.2 | 30.4 | 33.2 | 36.8 | 41.3 | 45.4 | 49.2 | 52.7 | 58.6 | 64.3 | 71.3 | 78.5 | |
| Sales taxes..... | 10.0 | 10.8 | 11.6 | 12.6 | 13.4 | 14.5 | 16.1 | 18.0 | 19.4 | 22.8 | 25.7 | 28.2 | 31.4 | 35.2 | 38.8 | 42.0 | 44.7 | 49.9 | 55.0 | 60.8 | 65.7 | |
| Property taxes..... | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.8 | 0.9 | 0.9 | 1.0 | 1.1 | 1.2 | 1.1 | 1.4 | 1.5 | 1.5 | 1.9 | 2.3 | |
| Other..... | 2.2 | 2.4 | 2.5 | 2.6 | 2.7 | 2.9 | 3.1 | 3.3 | 3.5 | 3.6 | 3.8 | 4.0 | 4.5 | 5.0 | 5.4 | 6.1 | 6.5 | 7.2 | 7.7 | 8.5 | 10.4 | |
| Contributions for social insurance..... | 0.4 | 0.5 | 0.5 | 0.5 | 0.6 | 0.7 | 0.8 | 0.8 | 0.9 | 0.9 | 1.0 | 1.1 | 1.2 | 1.3 | 1.5 | 1.7 | 1.8 | 2.2 | 2.8 | 3.4 | 3.9 | |
| Federal grants-in-aid..... | 3.4 | 3.5 | 4.0 | 4.4 | 4.9 | 5.4 | 6.1 | 8.9 | 10.3 | 11.6 | 13.3 | 16.2 | 19.4 | 25.8 | 25.8 | 27.6 | 33.9 | 37.1 | 40.6 | 45.2 | 48.3 | |
| Local grants-in-aid..... | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 | 0.7 | 0.8 | 0.9 | 1.1 | 1.2 | 1.3 | 1.8 | 2.3 | 2.4 | 2.5 | 2.2 | |
| Current expenditures..... | 19.9 | 21.5 | 23.4 | 25.4 | 27.6 | 30.1 | 33.6 | 38.6 | 44.7 | 51.0 | 58.2 | 67.8 | 77.4 | 86.3 | 96.0 | 108.0 | 125.4 | 138.7 | 150.2 | 164.7 | 182.5 | |
| Consumption expenditures..... | 8.8 | 9.5 | 10.2 | 10.9 | 11.8 | 12.8 | 14.2 | 15.9 | 18.2 | 20.5 | 23.3 | 26.9 | 30.1 | 32.8 | 36.9 | 44.0 | 51.1 | 55.9 | 60.8 | 67.3 | 75.3 | |
| Transfer payments to persons..... | 3.6 | 3.8 | 4.1 | 4.4 | 4.7 | 5.1 | 5.5 | 6.4 | 7.7 | 9.5 | 10.8 | 12.9 | 15.3 | 17.5 | 19.4 | 19.9 | 24.2 | 26.9 | 29.1 | 32.0 | 35.4 | |
| Grants-in-aid to local governments..... | 7.7 | 8.5 | 9.4 | 10.3 | 11.3 | 12.4 | 14.2 | 16.7 | 19.2 | 22.0 | 25.3 | 29.2 | 33.0 | 36.8 | 41.1 | 45.9 | 51.4 | 56.2 | 60.7 | 67.2 | 75.3 | |
| Net interest paid..... | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | -0.4 | -0.6 | -0.7 | -0.5 | -0.4 | -0.4 | -1.0 | -1.6 | -1.2 | -0.2 | -0.3 | -1.6 | -3.5 |
| Interest paid..... | 0.5 | 0.6 | 0.6 | 0.7 | 0.7 | 0.8 | 0.9 | 1.0 | 1.1 | 1.2 | 1.4 | 1.6 | 1.9 | 2.3 | 2.6 | 3.1 | 3.7 | 4.6 | 5.3 | 5.8 | 6.6 | |
| Less: Interest received by government..... | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 | 0.6 | 0.7 | 0.9 | 1.0 | 1.6 | 2.0 | 2.4 | 2.7 | 3.6 | 4.7 | 4.9 | 4.8 | 5.6 | 7.4 | 10.1 | | |
| Less: Dividends received by government..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | |
| Subsidies less current surplus of enterprises..... | -0.3 | -0.4 | -0.4 | -0.4 | -0.4 | -0.4 | -0.5 | -0.5 | -0.5 | -0.6 | -0.6 | -0.6 | -0.5 | -0.5 | -0.4 | -0.4 | -0.2 | -0.1 | -0.1 | -0.1 | 0.1 | |
| Subsidies..... | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.5 | 0.7 | 0.9 | 1.1 | 1.2 | 1.4 | 1.6 | 1.8 | |
| Less: Current surplus of enterprises..... | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.9 | 1.0 | 1.0 | 1.2 | 1.3 | 1.4 | 1.6 | 1.7 | | |
| Less: Wage accruals less disbursements..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Current surplus or deficit, NIPA..... | 1.2 | 1.3 | 1.2 | 1.3 | 1.1 | 1.3 | 1.1 | 2.4 | 0.5 | 1.6 | 1.8 | -0.6 | -1.1 | 6.7 | 4.1 | 0.1 | -4.1 | -1.2 | 3.0 | 6.3 | 3.9 | |
| Social insurance funds..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 | 1.0 | 1.5 | 1.8 | | |
| Other..... | 1.2 | 1.3 | 1.2 | 1.3 | 1.1 | 1.3 | 1.0 | 2.3 | 0.4 | 1.5 | 1.6 | -0.8 | -1.3 | 6.4 | 3.8 | -0.3 | -4.6 | -1.8 | 2.0 | 4.8 | 2.1 | |
| Addenda: | | | | | | | | | | | | | | | | | | | | | | |
| Net lending or net borrowing..... | -1.5 | -1.3 | -1.9 | -2.0 | -2.6 | -2.2 | -2.8 | -2.3 | -4.8 | -3.0 | -3.0 | -6.2 | -7.1 | 0.6 | -2.4 | -5.8 | -8.5 | -4.9 | 0.7 | 2.9 | -0.8 | |
| Current surplus or deficit NIPA, | 1.2 | 1.3 | 1.2 | 1.3 | 1.1 | 1.3 | 1.1 | 2.4 | 0.5 | 1.6 | 1.8 | -0.6 | -1.1 | 6.7 | 4.1 | 0.1 | -4.1 | -1.2 | 3.0 | 6.3 | 3.9 | |
| Plus: Consumption of fixed capital..... | 1.8 | 1.9 | 2.0 | 2.1 | 2.3 | 2.5 | 2.7 | 3.0 | 3.3 | 3.6 | 4.1 | 4.7 | 5.2 | 5.6 | 6.3 | 8.1 | 9.0 | 9.2 | 9.5 | 10.1 | 11.2 | |
| Plus: Capital transfers received (net)..... | 2.3 | 1.7 | 2.0 | 2.1 | 2.6 | 3.1 | 3.1 | 3.4 | 3.1 | 4.0 | 3.7 | 3.3 | 3.6 | 3.1 | 3.5 | 4.5 | 4.7 | 4.8 | 4.9 | 6.1 | | |
| Less: Gross investment..... | 6.4 | 5.7 | 6.6 | 7.0 | 8.0 | 8.5 | 9.1 | 10.4 | 11.1 | 11.6 | 12.4 | 13.4 | 14.1 | 14.6 | 15.2 | 16.6 | 17.0 | 16.8 | 16.0 | 17.7 | 21.2 | |
| Less: Net purchases nonproduced assets... | 0.4 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | 0.7 | 0.6 | 0.6 | 0.2 | 0.2 | 0.7 | 0.7 | 0.9 | 0.8 | 0.6 | 0.7 | 0.8 | 0.7 | 0.8 | | |

Table 2. State Government Current Receipts and Expenditures—Continued
 [Billions of dollars]

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current receipts..... | 205.9 | 224.7 | 230.5 | 252.9 | 284.7 | 305.5 | 329.9 | 349.6 | 373.4 | 404.8 | 434.2 | 473.2 | 515.9 | 553.6 | 590.7 | 622.7 | 649.7 | 685.0 | 726.0 | 775.8 | 828.9 | 859.5 |
| Personal tax and nontax receipts..... | 45.6 | 50.6 | 54.7 | 61.6 | 71.4 | 76.9 | 82.7 | 92.2 | 95.5 | 108.9 | 114.9 | 122.9 | 132.1 | 138.6 | 146.5 | 155.9 | 166.4 | 181.2 | 196.5 | 213.8 | 232.6 | 234.5 |
| Income taxes..... | 39.1 | 43.6 | 47.0 | 53.2 | 61.9 | 66.1 | 70.7 | 79.1 | 81.2 | 93.3 | 97.9 | 102.3 | 108.7 | 114.6 | 121.4 | 129.6 | 139.1 | 152.7 | 166.6 | 182.3 | 199.5 | 199.9 |
| Nontaxes..... | 1.8 | 2.1 | 2.4 | 2.8 | 3.2 | 3.8 | 4.3 | 4.7 | 5.4 | 6.1 | 7.1 | 10.2 | 12.3 | 12.2 | 12.5 | 13.2 | 13.8 | 14.5 | 15.3 | 16.3 | 17.7 | 19.1 |
| Other..... | 4.6 | 4.9 | 5.3 | 5.7 | 6.4 | 7.1 | 7.6 | 8.3 | 8.9 | 9.5 | 9.9 | 10.4 | 11.0 | 11.8 | 12.6 | 13.2 | 13.5 | 14.0 | 14.6 | 15.2 | 15.5 | 15.5 |
| Corporate profits tax accruals..... | 13.7 | 14.5 | 13.1 | 14.9 | 17.4 | 18.7 | 20.8 | 21.8 | 23.8 | 22.2 | 20.4 | 21.5 | 22.1 | 24.3 | 27.3 | 29.1 | 30.0 | 30.9 | 31.3 | 31.6 | 32.3 | 26.3 |
| Indirect business tax and nontax accruals..... | 85.9 | 95.4 | 99.6 | 109.6 | 122.9 | 132.5 | 140.6 | 148.0 | 158.0 | 167.5 | 178.0 | 185.0 | 197.8 | 211.5 | 226.2 | 238.8 | 250.8 | 265.2 | 280.9 | 295.3 | 311.7 | 317.6 |
| Sales taxes..... | 70.0 | 76.5 | 80.3 | 90.0 | 100.9 | 109.0 | 115.8 | 124.6 | 134.2 | 142.8 | 151.5 | 157.1 | 167.6 | 179.1 | 191.4 | 201.5 | 210.9 | 222.0 | 233.5 | 246.2 | 255.7 | 259.9 |
| Property taxes..... | 2.6 | 2.7 | 2.8 | 3.0 | 3.4 | 3.5 | 3.6 | 3.7 | 4.0 | 4.3 | 4.6 | 4.9 | 5.2 | 6.1 | 6.9 | 7.5 | 7.8 | 8.0 | 8.6 | 8.7 | 8.2 | 7.9 |
| Other..... | 13.2 | 16.3 | 16.5 | 16.6 | 18.7 | 20.0 | 21.2 | 19.6 | 19.8 | 20.4 | 21.9 | 23.0 | 25.0 | 26.3 | 28.0 | 29.9 | 32.1 | 35.1 | 38.9 | 40.4 | 47.8 | 49.9 |
| Contributions for social insurance..... | 3.6 | 3.9 | 4.0 | 4.1 | 4.7 | 4.9 | 6.0 | 7.2 | 8.4 | 9.0 | 10.0 | 11.6 | 13.1 | 14.1 | 14.5 | 13.6 | 12.5 | 10.8 | 10.1 | 9.7 | 9.2 | 9.2 |
| Federal grants-in-aid..... | 54.7 | 57.7 | 56.0 | 58.6 | 63.3 | 67.3 | 74.5 | 74.9 | 82.1 | 91.5 | 104.7 | 124.6 | 141.8 | 155.0 | 165.2 | 174.2 | 178.0 | 183.5 | 193.8 | 212.5 | 229.5 | 257.7 |
| Local grants-in-aid..... | 2.4 | 2.6 | 3.1 | 4.1 | 5.0 | 5.2 | 5.3 | 5.5 | 5.6 | 5.7 | 6.2 | 7.6 | 9.0 | 10.1 | 11.0 | 11.1 | 12.0 | 13.4 | 13.4 | 12.9 | 13.6 | 14.2 |
| Current expenditures..... | 205.9 | 226.4 | 241.4 | 257.0 | 277.5 | 302.7 | 327.0 | 350.9 | 376.5 | 406.7 | 447.2 | 495.5 | 537.8 | 572.8 | 606.1 | 636.2 | 661.6 | 686.8 | 723.1 | 782.8 | 846.6 | 923.5 |
| Consumption expenditures..... | 85.2 | 94.1 | 101.4 | 107.4 | 115.7 | 126.3 | 135.5 | 144.1 | 153.5 | 164.4 | 178.2 | 186.1 | 193.1 | 203.0 | 213.7 | 223.3 | 230.5 | 239.7 | 249.5 | 270.0 | 296.1 | 319.1 |
| Transfer payments to persons..... | 41.3 | 46.7 | 51.0 | 55.9 | 59.8 | 65.2 | 71.5 | 77.5 | 84.5 | 94.5 | 111.2 | 137.7 | 159.6 | 173.7 | 184.6 | 195.0 | 202.6 | 206.9 | 214.4 | 230.8 | 248.3 | 279.7 |
| Grants-in-aid to local governments..... | 83.7 | 90.4 | 94.4 | 98.9 | 108.7 | 120.0 | 128.9 | 137.8 | 148.4 | 159.5 | 169.4 | 181.9 | 194.8 | 205.9 | 218.8 | 231.5 | 242.3 | 255.4 | 274.1 | 297.6 | 319.3 | 334.5 |
| Net interest paid..... | -4.6 | -5.4 | -5.6 | -5.0 | -6.0 | -7.3 | -7.2 | -7.0 | -8.0 | -9.3 | -9.3 | -7.8 | -6.7 | -6.2 | -7.1 | -9.3 | -9.6 | -11.3 | -11.3 | -12.5 | -14.3 | -14.3 |
| Interest paid..... | 7.6 | 8.8 | 10.6 | 12.7 | 14.7 | 16.6 | 18.5 | 19.8 | 20.7 | 21.8 | 23.3 | 24.8 | 25.2 | 24.7 | 24.9 | 25.7 | 26.4 | 26.9 | 27.7 | 29.0 | 30.1 | 30.8 |
| Less: Interest received by government..... | 12.2 | 14.2 | 16.1 | 17.7 | 20.6 | 23.9 | 25.7 | 26.8 | 28.7 | 31.1 | 32.5 | 32.6 | 31.8 | 30.8 | 32.0 | 35.1 | 36.1 | 38.2 | 39.0 | 41.5 | 44.4 | 45.2 |
| Less: Dividends received by government..... | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| Subsidies less current surplus of enterprises..... | 0.4 | 0.7 | 0.4 | 0.0 | -0.5 | -1.3 | -1.5 | -1.3 | -1.7 | -2.2 | -2.1 | -2.2 | -2.8 | -3.4 | -3.7 | -4.0 | -3.9 | -3.6 | -3.2 | -2.7 | -2.4 | 4.9 |
| Subsidies..... | 2.1 | 2.4 | 2.5 | 2.8 | 3.1 | 3.3 | 3.6 | 4.2 | 4.8 | 5.2 | 5.5 | 5.8 | 6.0 | 6.0 | 6.3 | 6.7 | 7.7 | 8.6 | 8.9 | 9.3 | 9.5 | 17.2 |
| Less: Current surplus of enterprises..... | 1.7 | 1.7 | 2.1 | 2.8 | 3.6 | 4.6 | 5.1 | 5.5 | 6.5 | 7.3 | 7.7 | 8.0 | 8.8 | 9.4 | 9.9 | 10.7 | 11.6 | 12.2 | 12.1 | 12.0 | 11.9 | 12.3 |
| Less: Wage accruals less disbursements..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current surplus or deficit, NIPA..... | 0.0 | -1.7 | -10.9 | -4.1 | 7.2 | 2.8 | 2.9 | -1.3 | -3.1 | -1.9 | -13.0 | -22.3 | -21.9 | -19.2 | -15.4 | -13.5 | -11.9 | -1.8 | 2.9 | -7.0 | -17.7 | -64.0 |
| Social insurance funds..... | 1.3 | 1.3 | 1.2 | 1.2 | 1.4 | 1.3 | 1.9 | 2.2 | 2.5 | 2.3 | 2.0 | 2.4 | 3.1 | 4.2 | 4.6 | 4.0 | 2.7 | 1.1 | 0.6 | 0.9 | 0.1 | -0.1 |
| Other..... | -1.3 | -3.0 | -12.1 | -5.3 | 5.8 | 1.5 | 1.0 | -3.5 | -5.6 | -4.2 | -15.0 | -24.7 | -25.0 | -23.4 | -20.0 | -17.5 | -14.6 | -2.9 | 2.3 | -7.9 | -17.8 | -63.9 |
| Addenda: | | | | | | | | | | | | | | | | | | | | | | |
| Net lending or net borrowing..... | -3.6 | -4.4 | -12.0 | -4.9 | 3.5 | -2.4 | -3.5 | -9.2 | -12.1 | -11.5 | -24.6 | -33.7 | -32.7 | -29.8 | -27.4 | -25.3 | -23.1 | -14.8 | -12.5 | -24.2 | -34.0 | -81.8 |
| Current surplus or deficit NIPA..... | 0.0 | -1.7 | -10.9 | -4.1 | 7.2 | 2.8 | 2.9 | -1.3 | -3.1 | -1.9 | -13.0 | -22.3 | -21.9 | -19.2 | -15.4 | -13.5 | -11.9 | -1.8 | 2.9 | -7.0 | -17.7 | -64.0 |
| Plus: Consumption of fixed capital..... | 13.1 | 15.2 | 16.6 | 17.0 | 17.2 | 18.1 | 19.5 | 21.2 | 22.4 | 23.7 | 25.3 | 26.6 | 27.5 | 28.8 | 30.5 | 32.7 | 34.6 | 36.6 | 38.4 | 40.9 | 44.1 | 46.6 |
| Plus: Capital transfers received (net)..... | 7.6 | 6.7 | 6.1 | 7.2 | 8.7 | 10.6 | 11.1 | 10.5 | 11.6 | 11.5 | 12.2 | 12.5 | 13.5 | 14.4 | 15.5 | 16.3 | 17.0 | 18.1 | 18.4 | 21.1 | 23.0 | 25.6 |
| Less: Gross investment..... | 23.5 | 23.8 | 23.0 | 24.0 | 28.6 | 32.8 | 35.7 | 38.0 | 41.4 | 43.2 | 47.3 | 48.6 | 49.9 | 52.0 | 56.3 | 59.1 | 60.8 | 65.6 | 69.8 | 76.4 | 80.5 | 86.9 |
| Less: Net purchases nonproduced assets..... | 0.8 | 0.8 | 0.8 | 1.0 | 1.0 | 1.1 | 1.3 | 1.6 | 1.6 | 1.8 | 1.9 | 1.8 | 1.7 | 1.7 | 1.7 | 2.0 | 2.1 | 2.4 | 2.8 | 2.9 | 3.1 | |

Note. State receipts plus local receipts and state expenditures plus local expenditures do not sum to the consolidated state and local government account totals, because grants-in-aid from states to local governments and from local to state governments are netted in the consolidated account totals. In addition, two expenditure categories subsidies and current surplus of government enterprises do not sum to the consolidated account totals, because the level of government making subsidy payments accounts for them as subsidies, while recipient governments account for them as surpluses of government enterprises. However, the aggregate category "Subsidies less current surplus of government enterprises" for state and local governments sum to the consolidated account total due to netting in the total.

Table 3. Local Government Current Receipts and Expenditures
[Billions of dollars]

| | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current receipts..... | 25.7 | 28.3 | 31.0 | 33.5 | 36.3 | 39.6 | 43.1 | 47.6 | 53.6 | 59.6 | 66.7 | 77.4 | 87.0 | 97.3 | 108.7 | 117.6 | 131.4 | 145.4 | 159.4 | 173.0 | 182.0 |
| Personal tax and nontax receipts | 1.0 | 1.1 | 1.2 | 1.4 | 1.5 | 1.6 | 1.6 | 2.0 | 2.4 | 2.5 | 2.9 | 3.2 | 3.6 | 4.3 | 4.2 | 4.7 | 5.3 | 5.9 | 6.5 | 7.2 | 7.9 |
| Income taxes | 0.2 | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.5 | 0.6 | 0.8 | 0.9 | 1.1 | 1.3 | 1.5 | 2.0 | 2.0 | 2.3 | 2.6 | 2.8 | 3.2 | 3.4 | 3.6 |
| Nontaxes | 0.2 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.6 | 0.8 | 0.8 | 0.8 | 1.0 | 1.1 | 1.3 | 1.2 | 1.3 | 1.5 | 1.8 | 2.0 | 2.4 | 2.8 |
| Other | 0.5 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.8 | 0.7 | 0.8 | 0.8 | 0.8 | 0.9 | 1.0 | 1.0 | 1.0 | 1.1 | 1.2 | 1.3 | 1.3 | 1.5 | 1.5 |
| Corporate profits tax accruals | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0.3 | 0.2 | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 | 0.6 | 0.6 |
| Indirect business tax and nontax accruals | 16.6 | 18.2 | 19.8 | 21.2 | 22.7 | 24.5 | 26.2 | 27.7 | 30.3 | 33.7 | 37.0 | 41.6 | 46.3 | 50.0 | 54.1 | 58.0 | 63.1 | 69.2 | 75.6 | 77.6 | 80.1 |
| Sales taxes..... | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.9 | 2.1 | 2.0 | 1.9 | 2.3 | 2.9 | 3.5 | 4.0 | 4.6 | 5.2 | 6.1 | 7.0 | 7.9 | 9.0 | 10.2 | 11.5 |
| Property taxes | 14.3 | 15.7 | 17.0 | 18.4 | 19.7 | 21.1 | 22.5 | 23.8 | 26.2 | 29.1 | 31.9 | 35.7 | 39.5 | 42.2 | 45.2 | 47.9 | 52.0 | 56.7 | 61.7 | 61.8 | 62.1 |
| Other | 1.1 | 1.2 | 1.3 | 1.4 | 1.4 | 1.5 | 1.6 | 1.8 | 2.1 | 2.3 | 2.3 | 2.5 | 2.9 | 3.2 | 3.7 | 4.0 | 4.2 | 4.6 | 4.9 | 5.7 | 6.5 |
| Contributions for social insurance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Federal grants-in-aid..... | 0.4 | 0.5 | 0.6 | 0.6 | 0.8 | 1.1 | 1.1 | 1.2 | 1.5 | 1.1 | 1.3 | 3.2 | 3.8 | 5.9 | 9.0 | 8.7 | 11.2 | 13.6 | 16.0 | 20.4 | 18.1 |
| State grants-in-aid | 7.7 | 8.5 | 9.4 | 10.3 | 11.3 | 12.4 | 14.2 | 16.7 | 19.2 | 22.0 | 25.3 | 29.2 | 33.0 | 36.8 | 41.1 | 45.9 | 51.4 | 56.2 | 60.7 | 67.2 | 75.3 |
| Current expenditures..... | 23.2 | 25.3 | 27.9 | 29.6 | 31.6 | 34.5 | 37.7 | 42.4 | 47.1 | 53.7 | 60.6 | 69.8 | 79.5 | 88.3 | 97.1 | 108.4 | 125.0 | 137.0 | 149.4 | 160.6 | 172.9 |
| Consumption expenditures..... | 22.3 | 24.4 | 26.8 | 28.5 | 30.6 | 33.5 | 36.6 | 40.9 | 45.1 | 50.6 | 56.9 | 65.1 | 73.3 | 81.0 | 89.9 | 100.5 | 114.3 | 124.2 | 135.7 | 147.0 | 159.8 |
| Transfer payments to persons | 0.7 | 0.8 | 0.9 | 0.9 | 1.0 | 1.0 | 1.1 | 1.3 | 1.6 | 2.0 | 2.4 | 3.2 | 4.0 | 4.5 | 4.7 | 5.4 | 6.6 | 7.3 | 8.0 | 8.8 | 8.9 |
| Grants-in-aid to state governments | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.6 | 0.7 | 0.8 | 0.9 | 1.1 | 1.2 | 1.3 | 1.8 | 2.3 | 2.4 | 2.5 | 2.2 |
| Net interest paid..... | 0.7 | 0.7 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 1.4 | 1.5 | 1.6 | 2.2 | 2.7 | 2.3 | 1.8 | 2.5 | 3.3 | 3.3 | 2.4 | 1.3 |
| Interest paid..... | 1.3 | 1.5 | 1.6 | 1.8 | 1.9 | 2.1 | 2.3 | 2.5 | 2.7 | 3.0 | 3.5 | 4.0 | 4.6 | 5.3 | 5.8 | 6.6 | 7.4 | 8.4 | 9.1 | 10.7 | |
| Less: Interest received by government..... | 0.6 | 0.8 | 0.8 | 0.9 | 1.0 | 1.2 | 1.4 | 1.6 | 1.8 | 1.6 | 2.0 | 2.3 | 2.4 | 2.6 | 3.5 | 4.7 | 4.8 | 4.5 | 5.1 | 6.7 | 9.4 |
| Less: Dividends received by government..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subsidies less current surplus of enterprises..... | -0.8 | -0.9 | -1.0 | -1.0 | -1.2 | -1.2 | -1.2 | -1.1 | -1.0 | -0.9 | -0.9 | -0.9 | -0.8 | -1.1 | -1.0 | -0.6 | -0.2 | -0.1 | 0.0 | 0.1 | 0.6 |
| Subsidies..... | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Less: Current surplus of enterprises..... | 0.8 | 0.9 | 1.0 | 1.0 | 1.2 | 1.2 | 1.2 | 1.1 | 1.0 | 0.9 | 0.9 | 0.9 | 0.8 | 1.1 | 1.0 | 0.7 | 0.5 | 0.4 | 0.3 | 0.2 | -0.3 |
| Less: Wage accruals less disbursements | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | -0.1 |
| Current surplus or deficit, NIPA..... | 2.5 | 3.0 | 3.1 | 3.9 | 4.7 | 5.1 | 5.4 | 5.2 | 6.5 | 5.9 | 6.1 | 7.6 | 7.5 | 9.0 | 11.6 | 9.2 | 6.4 | 8.4 | 10.0 | 12.4 | 9.1 |
| Social insurance funds | | | | | | | | | | | | | | | | | | | | | |
| Other | 2.5 | 3.0 | 3.1 | 3.9 | 4.7 | 5.1 | 5.4 | 5.2 | 6.5 | 5.9 | 6.1 | 7.6 | 7.5 | 9.0 | 11.6 | 9.2 | 6.4 | 8.4 | 10.0 | 12.4 | 9.1 |
| Addenda: | | | | | | | | | | | | | | | | | | | | | |
| Net lending or net borrowing | -1.8 | -1.7 | -1.8 | -1.1 | -0.8 | -1.1 | -1.9 | -2.5 | -2.2 | -3.4 | -2.1 | 0.1 | 0.6 | 2.9 | 4.8 | 0.4 | -3.5 | -0.2 | 3.8 | 2.8 | -1.4 |
| Current surplus or deficit NIPA..... | 2.5 | 3.0 | 3.1 | 3.9 | 4.7 | 5.1 | 5.4 | 5.2 | 6.5 | 5.9 | 6.1 | 7.6 | 7.5 | 9.0 | 11.6 | 9.2 | 6.4 | 8.4 | 10.0 | 12.4 | 9.1 |
| Plus: Consumption of fixed capital | 2.4 | 2.6 | 2.7 | 2.9 | 3.1 | 3.3 | 3.6 | 3.9 | 4.3 | 4.7 | 5.3 | 5.9 | 6.6 | 7.2 | 8.0 | 9.6 | 11.2 | 12.1 | 13.1 | 14.3 | 16.3 |
| Plus: Capital transfers received (net) | 1.2 | 1.3 | 1.3 | 1.4 | 1.5 | 1.6 | 1.6 | 1.8 | 2.0 | 2.9 | 3.2 | 3.4 | 3.7 | 4.2 | 5.7 | 6.5 | 7.3 | 8.3 | 8.8 | 10.1 | |
| Less: Gross investment | 7.5 | 8.2 | 8.4 | 8.8 | 9.5 | 10.5 | 11.8 | 12.7 | 14.2 | 16.1 | 15.9 | 15.4 | 16.0 | 16.0 | 18.0 | 23.1 | 26.6 | 27.1 | 26.7 | 31.7 | 35.7 |
| Less: Net purchases nonproduced assets .. | 0.4 | 0.4 | 0.5 | 0.5 | 0.6 | 0.6 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 | 0.9 | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 1.0 | 0.9 | 1.0 | 1.2 |

Table 3. Local Government Current Receipts and Expenditures—Continued
 [Billions of dollars]

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current receipts..... | 196.7 | 212.7 | 227.3 | 242.2 | 265.3 | 288.9 | 312.2 | 329.7 | 354.3 | 379.4 | 404.7 | 432.3 | 460.2 | 485.5 | 513.0 | 537.7 | 565.1 | 595.2 | 635.9 | 678.8 | 718.1 | 750.4 |
| Personal tax and nontax receipts | 8.3 | 10.0 | 11.3 | 12.1 | 13.3 | 14.3 | 15.9 | 16.4 | 18.5 | 20.0 | 21.1 | 22.4 | 24.3 | 26.1 | 28.2 | 30.6 | 33.3 | 35.8 | 39.0 | 42.0 | 44.8 | 46.7 |
| Income taxes | 3.5 | 4.3 | 4.9 | 5.1 | 5.6 | 6.0 | 6.8 | 6.9 | 8.6 | 9.3 | 9.8 | 10.4 | 10.9 | 11.4 | 12.0 | 12.9 | 13.8 | 14.9 | 16.0 | 17.4 | 18.6 | 18.7 |
| Nontaxes | 3.2 | 3.9 | 4.4 | 4.9 | 5.6 | 6.2 | 7.0 | 7.2 | 7.3 | 8.0 | 8.4 | 9.0 | 10.2 | 11.2 | 12.4 | 13.9 | 15.4 | 16.6 | 18.4 | 19.8 | 21.3 | 22.9 |
| Other | 1.7 | 1.8 | 2.0 | 2.1 | 2.2 | 2.1 | 2.3 | 2.5 | 2.8 | 2.9 | 3.1 | 3.2 | 3.5 | 3.8 | 3.9 | 4.0 | 4.3 | 4.6 | 4.8 | 5.0 | 5.1 | |
| Corporate profits tax accruals | 0.7 | 0.9 | 0.9 | 1.0 | 1.4 | 1.5 | 1.8 | 2.2 | 2.1 | 2.1 | 2.2 | 2.3 | 2.6 | 2.7 | 2.6 | 3.0 | 3.3 | 3.3 | 3.2 | 3.3 | 2.7 | |
| Indirect business tax and nontax accruals | 86.4 | 96.6 | 107.2 | 117.2 | 128.6 | 139.5 | 152.5 | 164.4 | 175.7 | 191.0 | 205.4 | 218.8 | 231.4 | 243.3 | 253.9 | 262.8 | 274.1 | 287.4 | 303.0 | 317.4 | 332.7 | 346.8 |
| Sales taxes | 12.8 | 14.2 | 15.9 | 17.7 | 20.1 | 22.1 | 24.1 | 25.7 | 27.3 | 29.9 | 31.7 | 33.0 | 34.6 | 36.9 | 39.6 | 42.1 | 44.6 | 47.3 | 50.7 | 54.4 | 58.6 | 61.4 |
| Property taxes | 66.2 | 74.4 | 82.5 | 88.9 | 96.3 | 104.0 | 112.6 | 122.7 | 132.8 | 144.4 | 156.5 | 167.9 | 177.6 | 185.0 | 190.7 | 196.1 | 203.6 | 212.3 | 221.7 | 230.6 | 239.8 | 249.5 |
| Other | 7.4 | 7.9 | 8.8 | 10.7 | 12.2 | 13.4 | 15.9 | 16.1 | 15.6 | 16.7 | 17.2 | 18.0 | 19.3 | 21.4 | 23.6 | 24.6 | 25.9 | 27.8 | 30.6 | 32.5 | 34.3 | 35.9 |
| Contributions for social insurance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Federal grants-in-aid | 17.6 | 14.8 | 13.5 | 13.0 | 13.3 | 13.6 | 13.1 | 9.0 | 9.5 | 6.8 | 6.7 | 7.0 | 7.4 | 7.6 | 9.4 | 10.2 | 12.4 | 13.3 | 16.5 | 18.6 | 18.0 | 19.7 |
| State grants-in-aid | 83.7 | 90.4 | 94.4 | 98.9 | 108.7 | 120.0 | 128.9 | 137.8 | 148.4 | 159.5 | 169.4 | 181.9 | 194.8 | 205.9 | 218.8 | 231.5 | 242.3 | 255.4 | 274.1 | 297.6 | 319.3 | 334.5 |
| Current expenditures..... | 187.9 | 203.5 | 218.7 | 233.2 | 248.7 | 269.4 | 294.3 | 316.2 | 335.6 | 358.1 | 389.1 | 417.7 | 443.1 | 464.8 | 488.9 | 508.9 | 531.7 | 562.5 | 598.0 | 633.5 | 682.4 | 717.8 |
| Consumption expenditures | 175.2 | 190.5 | 205.4 | 217.6 | 233.7 | 254.2 | 275.4 | 295.0 | 314.4 | 338.6 | 367.5 | 390.0 | 408.5 | 426.5 | 448.9 | 471.4 | 496.1 | 526.8 | 558.8 | 594.6 | 641.8 | 674.6 |
| Transfer payments to persons | 9.9 | 10.4 | 10.2 | 11.0 | 11.4 | 12.1 | 12.9 | 13.3 | 14.1 | 15.0 | 16.6 | 18.9 | 20.5 | 21.7 | 22.3 | 22.8 | 21.7 | 20.7 | 20.9 | 21.9 | 23.0 | 24.8 |
| Grants-in-aid to state governments | 2.4 | 2.6 | 3.1 | 4.1 | 5.0 | 5.2 | 5.3 | 5.5 | 5.6 | 5.7 | 6.2 | 7.6 | 9.0 | 10.1 | 11.0 | 11.1 | 12.0 | 13.4 | 13.4 | 12.9 | 13.6 | 14.2 |
| Net interest paid | -0.8 | -2.1 | -1.7 | -0.2 | -0.8 | -0.5 | 1.7 | 3.9 | 4.2 | 2.7 | 3.0 | 5.7 | 9.5 | 11.7 | 11.5 | 9.8 | 10.5 | 10.4 | 11.6 | 11.8 | 11.4 | 12.2 |
| Interest paid | 11.8 | 14.1 | 16.6 | 19.6 | 22.3 | 25.5 | 29.5 | 32.1 | 33.7 | 35.8 | 37.1 | 38.8 | 39.9 | 40.1 | 40.9 | 42.1 | 44.0 | 45.7 | 47.7 | 49.7 | 51.3 | 52.4 |
| Less: Interest received by government | 12.5 | 16.1 | 18.3 | 19.7 | 23.1 | 26.0 | 27.7 | 28.2 | 29.5 | 33.1 | 34.1 | 33.2 | 30.4 | 28.3 | 29.3 | 32.3 | 33.4 | 35.3 | 36.0 | 38.0 | 39.8 | 40.2 |
| Less: Dividends received by government | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subsidies less current surplus of enterprises | 1.2 | 2.1 | 1.7 | 0.7 | -0.6 | -1.6 | -1.0 | -1.5 | -2.7 | -3.9 | -4.2 | -4.5 | -4.4 | -5.2 | -4.8 | -6.2 | -8.6 | -8.8 | -6.7 | -7.7 | -7.4 | -8.0 |
| Subsidies | 0.3 | 0.4 | 0.5 | 0.6 | 0.6 | 0.7 | 1.0 | 1.2 | 1.2 | 1.2 | 1.3 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.5 | 1.5 | 1.5 | 1.7 | 1.7 |
| Less: Current surplus of enterprises | -0.9 | -1.7 | -1.1 | -0.1 | 1.2 | 2.3 | 2.0 | 2.7 | 4.0 | 5.2 | 5.4 | 5.8 | 5.8 | 6.5 | 6.2 | 7.6 | 10.0 | 10.3 | 8.2 | 9.3 | 9.0 | 9.7 |
| Less: Wage accruals less disbursements | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current surplus or deficit, NIPA..... | 8.8 | 9.2 | 8.6 | 9.0 | 16.6 | 19.5 | 17.9 | 13.5 | 18.7 | 21.3 | 15.6 | 14.6 | 17.1 | 20.7 | 24.1 | 28.8 | 33.4 | 32.7 | 37.9 | 45.3 | 35.7 | 32.6 |
| Social insurance funds | 8.8 | 9.2 | 8.6 | 9.0 | 16.6 | 19.5 | 17.9 | 13.5 | 18.7 | 21.3 | 15.6 | 14.6 | 17.1 | 20.7 | 24.1 | 28.8 | 33.4 | 32.7 | 37.9 | 45.3 | 35.7 | 32.6 |
| Addenda: | | | | | | | | | | | | | | | | | | | | | | |
| Net lending or net borrowing | -3.4 | -1.3 | -0.8 | -0.1 | 5.1 | 3.9 | -1.4 | -7.3 | -4.9 | -6.4 | -17.7 | -19.4 | -15.5 | -8.3 | -6.0 | -5.6 | -3.8 | -15.2 | -10.9 | -12.4 | -23.0 | -24.1 |
| Current surplus or deficit NIPA | 8.8 | 9.2 | 8.6 | 9.0 | 16.6 | 19.5 | 17.9 | 13.5 | 18.7 | 21.3 | 15.6 | 14.6 | 17.1 | 20.7 | 24.1 | 28.8 | 33.4 | 32.7 | 37.9 | 45.3 | 35.7 | 32.6 |
| Plus: Consumption of fixed capital | 18.7 | 21.1 | 22.9 | 23.9 | 25.1 | 26.6 | 28.4 | 30.3 | 32.5 | 35.1 | 37.8 | 40.4 | 42.4 | 45.1 | 48.4 | 51.4 | 54.3 | 57.6 | 61.0 | 65.5 | 70.9 | 77.1 |
| Plus: Capital transfers received (net) | 11.0 | 11.1 | 10.9 | 10.8 | 11.4 | 11.4 | 11.9 | 11.6 | 12.0 | 12.8 | 13.1 | 13.5 | 14.3 | 14.2 | 16.0 | 16.8 | 17.2 | 17.6 | 18.6 | 20.8 | 22.7 | |
| Less: Gross investment | 40.5 | 41.2 | 41.8 | 42.4 | 46.3 | 51.6 | 57.2 | 60.4 | 64.9 | 71.5 | 79.9 | 83.5 | 84.5 | 84.2 | 88.0 | 96.7 | 103.0 | 117.6 | 121.2 | 134.9 | 143.4 | 149.3 |
| Less: Net purchases nonproduced assets | 1.4 | 1.5 | 1.4 | 1.4 | 1.7 | 2.0 | 2.4 | 2.6 | 2.8 | 3.3 | 4.0 | 4.0 | 4.0 | 4.2 | 4.7 | 5.1 | 5.1 | 6.2 | 6.9 | 7.0 | 7.2 | |

NOTE. State receipts plus local receipts and state expenditures plus local expenditures do not sum to the consolidated state and local government account totals, because grants-in-aid from states to local governments and from local to state governments are netted in the consolidated account totals. In addition, two expenditure categories subsidies and current surplus of government enterprises do not sum to the consolidated account totals because the level of government making

subsidy payments accounts for them as subsidies, while recipient governments account for them as surpluses of government enterprises. However, the aggregate category "Subsidies less current surplus of government enterprises" for state and local governments sum to the consolidated account total due to netting in the total.

Table 4. State Government Consumption Expenditures and Gross Investment by Function
 [Billions of dollars]

Table 4. State Government Consumption Expenditures and Gross Investment by Function—Continued

[Billions of dollars]

Table 5. Local Government Consumption Expenditures and Gross Investment by Function
 [Billions of dollars]

Table 5. Local Government Consumption Expenditures and Gross Investment by Function—Continued

[Billions of dollars]

Table 6. State Government Current Expenditures by Function
 [Billions of dollars]

Table 6. State Government Current Expenditures by Function—Continued
[Billions of dollars]

Table 7. Local Government Current Expenditures by Function
 [Billions of dollars]

Table 7. Local Government Current Expenditures by Function—Continued

[Billions of dollars]